

Clearances:
L/PM – Schildge info PM/DTCL – Maloney
NSC – Nillson ok H – Cooper
PM/CPA – Greer ok PM/DTC–RSKovac
T – Tucker info

Dear Madam Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of major defense equipment (MDE) and associated technical data, defense services, and defense articles in the amount of \$25,000,000 or more.

The transaction contained in the attached certification involves the export to the Commonwealth of Australia of defense services and defense articles, including technical data, to support the export, combat system integration, upgrade, qualification support, operational training, and organizational and intermediate level maintenance training for the Phalanx Close-In Weapon System Block 1A through Block 1B Baseline Weapon Systems.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DDTC 041-09

The Honorable
Nancy Pelosi,
Speaker of the House of Representatives.

DEPARTMENT OF STATE
TRANSMITTAL NO. DDTC 041-09
CERTIFICATION OF PROPOSED ISSUANCE OF AN EXPORT
LICENSE PURSUANT TO SECTION 36(c)
OF THE ARMS EXPORT CONTROL ACT

- (1) Foreign Country or International Organization to Which Export Will Be Made:
Australia, Spain
- (2) Dollar Value of the Items to be Exported:
- (a) Current Notification Value: \$43,324,346.
 - (b) Total Value: Initial Notification.
- (3) Description of the Transaction:
- (a) Current Notification Scope: Raytheon Company, Missile Systems, proposes transfer to the Commonwealth of Australia of 3 Block 1B Baseline 1 Phalanx Close-In Weapon Systems (CIWS), along with combat systems integration, operational training, qualification support, and organizational and intermediate level maintenance training services.
 - (b) Total Scope: The Commonwealth of Australia (CoA) already possesses 9 Phalanx CIWS Block 1A systems; therefore, Raytheon will also provide Block 1B upgrades to the CoA's current systems. Six other Australian firms are contributing to the Phalanx CIWS reception, assembly, integration, operational training, shipboard checkout, testing, qualification, and maintenance efforts. Navantia, S.A. of Spain was selected by CoA as the platform system designer and will receive access to technical data and defense services and articles to fulfill their role.
- (4) Offset Arrangement: There are no offset arrangements associated with this program.
- (5) Authorized Sales Territory: Not applicable.
- (6) Date Certification Delivered to Congress:

NOTE: This report, although unclassified, is derived from information submitted to the Department of State by the applicant, which is subject to the confidentiality requirements of section 38(e) of the Arms Export Control Act. Disclosure of an applicant's prices and customers could result in competitive injury.

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The Honorable
Nancy Pelosi,
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Dear Mr. Chairman:

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Sincerely,

Richard R. Verma
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DDTC 041-09

The Honorable
John F. Kerry, Chairman,
Committee on Foreign Relations,
United States Senate.

Dear Senator Lugar:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of major defense equipment (MDE) and associated technical data, defense services, and defense articles in the amount of \$25,000,000 or more.

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Sincerely,

Richard R. Verma
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DDTC 041-09

The Honorable
Richard G. Lugar,
Committee on Foreign Relations,
United States Senate.

Dear Ms. Ros-Lehtinen:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of major defense equipment (MDE) and associated technical data, defense services, and defense articles in the amount of \$25,000,000 or more.

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Sincerely,

Richard R. Verma
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DDTC 041-09

The Honorable
Ileana Ros-Lehtinen,
Committee on Foreign Affairs,
House of Representatives.

Dear Mr. Chairman:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of major defense equipment (MDE) and associated technical data, defense services, and defense articles in the amount of \$25,000,000 or more.

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Richard R. Verma
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DDTC 041-09

The Honorable
Howard L. Berman, Chairman,
Committee on Foreign Affairs,
House of Representatives.

Dear Mr. President:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of major defense equipment (MDE) and associated technical data, defense services, and defense articles in the amount of \$25,000,000 or more.

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Sincerely,

Richard R. Verma
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DDTC 041-09

The Honorable
Joseph R. Biden, Jr.,
President of the Senate.